

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

P.D. Accounts – Streamlining the maintenance of P.D. Accounts- Composition of Study team- Issue of TORs (Terms of References) –Orders issued.

FINANCE (DCM-II) DEPARTMENT

G.O.Rt.No. 3641

Dated: 21-08-2012
Read the Following:

1. G.O. Ms. No.51, Finance Planning (Finance Wing- W&M-II), Dated 2-3-1987
2. G.O.Ms.No.135, G.A. (cabinet) Department dated 12-04-2000
3. G.O.Ms.No.43, Finance and planning (w&m) dept. dated 22-04-2000
4. G.O.Ms.No.140, Finance (BG) department, dated 2-6-2005

ORDER:

The system of maintaining P.D. Accounts is in vogue for Local bodies, Institutions receiving Grants in Aid, Corporations, State undertakings, Agencies set up under the provisions of State /Central Acts, Universities, Societies and other specialized bodies constituted by the State for carrying out welfare/ Developmental Activities. etc.,

2. As per G.O. Ms. No. 51 Finance Planning (Finance Wing- W&M-II), Dated 2-3-1987 the District Treasury officer are Authorized to open PD Accounts in the name of the corporation, Company or Board or other bodies to ensure that the funds of these bodies are kept in the P.D Accounts.

3. Governments constituted a cabinet sub committee vide G.O.Ms.No.135 G.A. (cabinet) Department dated 12-04-2000 on zero based budgeting. The cabinet sub committee felt the need to regulate the expenditure under various deposit accounts .Accordingly Govt. issued orders vide G.O.Ms.No.43, Finance and Planning (W&M) Department dated 22-04-2000 classifying all the P.D. Accounts into 3 categories.

4. The purpose of allowing P.D. Accounts was to ensure greater autonomy and flexibility to the administrators for efficient and prompt deployment of funds to achieve the targets for which the funds have been specially earmarked without getting it lapsed.

5. Subsequently Government issued orders wide G.O.Ms.No.140 Finance (BG) Department, dated 2-6-2005, according permission to open the P.D. Account by the concerned Administrative Department of Secretariat with the concurrence of Finance Department.

6. During the implementation of PD Accounts, some issues, problems were noticed by the implementing agencies which require immediate rectification, remedial action by issuing administrative orders and necessary modifications in the procedures by studying the issues in detail.

7. Hence, a detailed study of P.D Accounts' administration is proposed with a view to maintain more accurate and purposeful accounts keeping the following issues.

- i. Involving DTO Hyderabad (Urban) in PD Accounts management for making them more accurate and purposeful.
- ii. Review of G.O.Ms.No.43, with reference to the observations of AGAP
- iii. Calculation and maintenance of Interest in respect of interest bearing P.D. Accounts:
- iv. Management of P.D. Accounts in local bodies (GPP, MP, ZPP)/Municipalities/Corporations/Autonomous Bodies.
- v. Financial viability of keeping money from Bank accounts to P.D. Accounts.

8. Team composition:

The study team will be headed by OSD (BG) with JD (PPP), and DFA (PMU) as other members and DTA, AP Hyderabad as Convener.

9. Duration:

The team will submit a draft report by 1st October 2012.

The study team will meet once in a week to ensure timely completion of work.

10. The orders issued above shall come into force with immediate effect.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

V BHASKAR
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Director of Treasuries & Accounts, A.P., Hyderabad

The OSD (BG) Finance Department

The JD (PPP) Finance (PMU) Department

The DFA Finance (PMU) Department

Copy to:

The Deputy Directors / District Treasury Officers in the State

The Pay and Accounts Officer, Hyderabad

All Sections in Finance Department

P.Ss. to PFS/Principal Secretary (IF)/Principal Secretary(R&E)/

Principal Secretary (FP)/Secretary (W&P)

SF/SCs

//FORWARDED BY ORDER //

SECTION OFFICER